

REMARKS

This responds to the Office Action mailed on August 3, 2006, and the references cited therewith.

Claims 12-22 are amended, no claims are canceled, and claims 23-24 are added; as a result, claims 1-24 are now pending in this application.

§101 Rejection of the Claims

Claims 12-22 were rejected under 35 U.S.C. § 101 because the claimed invention is directed to a non-statutory subject matter. Claims 12-22, as amended, are directed to a machine readable medium. It is respectfully requested that the rejection be withdrawn.

§112 Rejection of the Claims

Claims 12-22 were rejected under 35 U.S.C. § 112, first paragraph, as lacking adequate description or enablement.

Claims 12-22 were rejected under 35 U.S.C. § 112, second paragraph, for indefiniteness.

Claims 12-22, as amended, are directed to a machine readable medium. It is respectfully requested that the rejection be withdrawn.

§103 Rejection of the Claims

Claims 1-22 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Reilly (U.S. 5,877,482).

Reilly discloses generating a unique card key for the magnetic strip card (Reilly, 1: 63-64 and 2: 8-9), generating a Personal Identification Number (PIN) associated with the card (Reilly, 2: 11-12) and utilizing the card key to verify a transaction (Reilly, 2: 18-46). Reilly also discloses utilizing the PIN to verify a transaction (Reilly, 2: 58-63). Specifically, the PIN, which is known to the card holder, may be included in the encrypted transaction message (Reilly, 2: 58-63). In a preferred embodiment in Reilly, at least one specific detail of each transaction, preferably *the transaction value, is used as a second key when encrypting the PIN*. The specific detail is transmitted to the issuing body, and the issuing body uses the second key with the card key to decrypt the PIN. (Reilly, 3: 9-23.) Each one of the “encrypting” and “decrypting” is

distinct from the “identifying.” Specifically, a value used to encrypt the PIN or to decrypt the PIN is distinct from an access code to identify the user to a business entity. Thus, while Reilly discloses a transaction value being used as a second key when encrypting the PIN and that can be used by the card issuing body to decrypt the PIN, Reilly does not disclose or suggest **the access code “being to identify the user to a business entity” and “being reflected in an amount of value associated with the value transfer,”** as recited in claim 1. No additional reference has been cited in the Office action to show this feature.

Because Reilly, whether considered separately or in combination with the Official Notice of an EFT terminal to produce a receipt for the value transfer, fails to disclose each and every element of claim 1, claim 1 and its dependent claims are patentable in view of the combination of Reilly and the Official Notice and should be allowed.

Claim 12 recites **the access code “being to identify the user to a business entity” and “being reflected in an amount of value associated with the value transfer.”** Therefore, claim 12 and its dependent claims are patentable and should be allowed in view of the combination of Reilly and the Official Notice for at least the reasons articulated with respect to claim 1.

CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4052 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

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By their Representatives,

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Date January 3, 2007

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CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: MS Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 3 day of January, 2007.

Peter Robuffoni
Name

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